



THOMAS L. GARTHWAITE, M.D.
Director and Chief Medical Officer

FRED LEAF
Chief Operating Officer

COUNTY OF LOS ANGELES
DEPARTMENT OF HEALTH SERVICES
313 N. Figueroa, Los Angeles, CA 90012
(213) 240-8101

BOARD OF SUPERVISORS

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March 4, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**LAC+USC MEDICAL CENTER
PEDIATRICS INTENSIVE CARE UNIT CONSOLIDATION PROJECT
APPROVE REFURBISHMENT PROJECT AND BUDGET ADJUSTMENT
SUPERVISORIAL DISTRICT 1 (3) VOTES**

JOINT RECOMMENDATION WITH THE CHIEF ADMINISTRATIVE OFFICER THAT YOUR BOARD:

1. Find that the LAC+USC Medical Center Pediatric Intensive Care Unit Consolidation Project is categorically exempt under the California Environmental Quality Act in accordance with Guidelines Section 15301(a), and under Class 1 (d) of the County of Los Angeles Environmental Document Reporting Procedures and Guidelines adopted by your Board on November 17, 1987.
2. Approve the attached appropriation adjustment in the amount of \$907,000 to fund the LAC+USC Medical Center Pediatric Intensive Care Unit (PICU) Consolidation Project (C.P. 86298).
3. Approve the project and authorize the Department of Health Services to use crafts staff hired on temporary County items and supervised by LAC+USC Medical Center to complete the Project.

PURPOSE/JUSTIFICATION FOR RECOMMENDED ACTION

Consolidation of the PICU at LAC+USC Medical Center Women's and Children's Hospital is required to correct deficiencies cited by The State of California Department of Health Services, Children's Medical Services (CMS)/California Children's Services (CCS). Unless these deficiencies are corrected, the hospital will lose its CCS certification to provide trauma care for pediatric patients. This will negatively impact the Pediatric Training Program since the residents will be required to go elsewhere for training. In addition, the Medical Center may lose as

much as \$2.5 million per year in revenue, which will accumulate to a loss of \$7.5 million from now until the Replacement Facility is occupied in 2007.

The Department of Health Services will manage this project utilizing its existing resources. All work, expenditure reporting, and project delivery will be done in accordance with CAO and Auditor-Controller policies and procedures. The CAO will report to the Board monthly on DHS' progress in completing the project within budget and schedule.

Background

The PICU beds were relocated to Women's and Children's Hospital following the 1994 Northridge Earthquake when Pediatric Pavilion was evacuated and red-tagged due to damage. Four beds were located in a vacant section of the Neonatal ICU nursery area and five beds were located in what had been a 5-bed gynecology ICU. The areas are two floors apart and at opposite ends of the facility.

The beds were never intended to be a long-term solution, but rather an interim measure to provide care until the deficiencies could be corrected. The existing locations do not meet Section 420 A of the California Building Code and Section 5 of Title 22 California Code of Regulations for the following reasons:

- Lack of sufficient square footage around each bed;
- Lack of adequate storage space for supplies, medicines and linen;
- Lack of equipment storage space;
- Lack of an anteroom adjacent to the isolation room; and
- Lack of a staff bathroom, clean and dirty utility rooms.

In 1994, the State Department of Licensing visited the relocated PICU and gave tentative approval for the site with the understanding that correction of the problem would begin shortly thereafter. Between 1994 and 2000, various proposals were submitted to correct the problem; however, due to funding problems and other related issues, there was no significant progress on the project.

On May 7, 2003, CCS notified LAC+USC that the PICU could not be certified, primarily because of the non-compliance of the physical layout, which does not meet the minimum requirement of eight beds in a contiguous area. LAC+USC requested a waiver of the requirements pending completion of the Replacement Facility or development of a compliant PICU.

On September 25, 2003, LAC+USC received a letter from CCS giving conditional approval for the PICU until March 25, 2004 with the understanding that compliance of the deficiencies would be satisfactorily addressed before then, or the pediatric trauma program would not retain its CCS certification. One of the specific requirements was that there is a funding commitment by the Board of Supervisors for establishing a compliant PICU by March 25, 2004.

PICU Consolidation Project

The proposed PICU, currently under review by the Office of Statewide Healthcare Planning and Development (OSHDPD) will combine existing pediatric ICU beds, which are currently housed in two separate locations, into a single area on the second floor of Women's and Children's Hospital. The total square footage of the project is 3,700 square feet. The work will include the development of new partitions and ceilings, installation of a fire alarm system, inclusion of medical gases and vacuum in certain areas, an equipment-holding area, waiting room, ADA toilets, nursing station and negative pressure isolation room. We expect the plans to be given final approval by OSHPD by the end of March 2004, after which the refurbishment, expected to last six months, will begin.

Implementation of Strategic Plan Goals

These actions are consistent with the County's Strategic Plan Goal of Service Excellence by improving access to pediatric intensive care services, and the Goal of Fiscal Responsibility by investing in public health infrastructure. Construction of this project will improve health care for seriously ill or injured children and preserve the role of LAC+USC as a Pediatric trauma center.

Implementation of Health Services Redesign

This project meets Health Services' Strategic Goal of Enhancing the Health of the Residents of Los Angeles County in an operational and efficient manner by consolidating pediatric intensive care services in a single location to improve patient access to health care. Consolidation of the PICU will generate operational efficiencies and will not alter the facility commitment of reducing costs as part of Health Services System Redesign.

FISCAL IMPACT/FINANCING

Capital Projects Funding

The total project cost, including the refurbishment, fixed equipment, and contingency, is \$907,000 (Attachment I). Moveable equipment will be relocated from the two existing PICU areas. Funding to complete the project is available in the DHS Operating Budget.

The cost assumes that the work will be completed by temporary County crafts employees, hired specifically by LAC+USC only for this project.

Operating Budget Impact

The LAC+USC Medical Center will fund the capital project using one-time surplus salaries. As a result, there will be no impact to the ongoing DHS operating budget. Since these costs have not been included in the DHS forecast, the projected surplus for FY 2003-04 will be reduced.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The completion date of the PICU will depend on meeting the following conditions:

- All construction will be done using Department of Health Services temporary staff who will be hired in a timely manner, and dedicate 100% of their time to this job.
- Acquisition of fixed equipment and/or approval of outside agreements (e.g. installation of medical gases) for work on the project that cannot be completed by Medical Center staff will be completed expeditiously.

ENVIRONMENTAL DOCUMENTATION

This project is categorically exempt under CEQA Guidelines Section 15301(a) and County Guidelines Class 1(d) because the work will be limited to minor alterations of an existing space, including addition of interior partitions, installation of a drop ceiling and addition of HVAC, plumbing and electrical systems.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

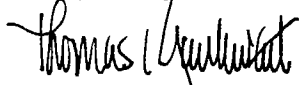
The existing hospital and all patient care services will remain operational throughout the entire construction period. Specific DHS infection control guidelines will be followed to ensure that construction-related dust, noise, and debris are controlled during the construction period.

The Honorable Board of Supervisors
March 4, 2004
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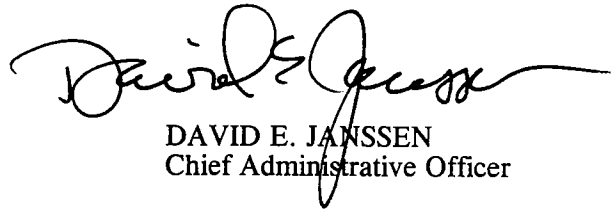
CONCLUSION

Please return one adopted copy of this letter to the Chief Administrative Office (Capital Projects), and the Department of Health Services.

Respectfully submitted,



THOMAS L. GARTHWAITE, M.D.
Director of Health Services



DAVID E. JANSSEN
Chief Administrative Officer

TLG:ak
L:\Project\LAC600\Peds ICU Bd Letter

cc: County Counsel
Executive Officer, Board of Supervisors
Patrick Brady

76R 352M 11/03

COUNTY OF LOS ANGELES
REQUEST FOR APPROPRIATION ADJUSTMENTDEPT'S.
No.

DEPARTMENT OF

Health Services

March 4, 2004

AUDITOR-CONTROLLER.
THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO
ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR
ACTION.

ADJUSTMENT REQUESTED AND REASONS THEREFOR

3-VOTES

SOURCES:

LAC+USC Healthcare Network
MN4-HG-60010-1000
Salaries and Employee Benefits \$907,000

General Fund Subsidy (LAC+USC Healthcare Network)
A01-AC-21224-6100
Operating Transfer Out \$907,000

TOTAL:

\$1,814,000USES:

LAC+USC Healthcare Network
MN4-HG-60010-9912
Operating Subsidy \$907,000

Refurbished - Consolidate PICU
A01-CP-86298-6014
Fixed Assets-Building & Improvements \$907,000

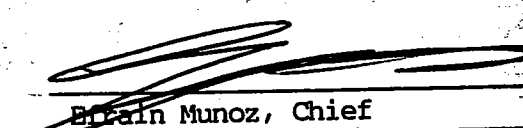
TOTAL:

\$1,814,000Justification:

This adjustment is necessary to reallocate existing funding from Salaries & Employee ~~benefits to fund~~ Benefits to fund the Capital Project of Consolidation of the Pediatrics Intensive Care Unit at LAC+USC Medical Center Women's and Children's Hospital. The project is required to correct deficiencies cited by the State of California Department of Health Services, and California Children's Services, in order to maintain its CCS certification to provide trauma care for Pediatric patients. There is no impact on operating subsidy.

EM:fl
03/04/04

CHIEF ADMINISTRATIVE OFFICER'S REPORT


Brian Munoz, Chief
DHS-Controller's DivisionREFERRED TO THE CHIEF
ADMINISTRATIVE OFFICER FOR—

ACTION

RECOMMENDATION

AUDITOR-CONTROLLER

BY

No. 224

MARCH 8 2004

APPROVED AS REQUESTED

AS REVISED

APPROVED (AS REVISED):
BOARD OF SUPERVISORS

BY

DEPUTY COUNTY CLERK